ADDENDUM #2

REQUEST FOR PROPOSAL

DESIGN AND SUPPLY OF TWO BIOMASS BOILERS & ALL ASSOCIATED EQUIPMENT AT DISTRICT HEAT PLANT 122 STATE STREET, MONTPELIER, VERMONT

QUESTIONS & ANSWERS

- 1. Q: Is the "Qualified Supplier List" available on the page Brian linked just in reference to this specific project, or is that something used generally for any State biomass heating project?
 - A: The Qualified Supplier List was developed specifically for this project and is available on-line at: http://bgs.vermont.gov/purchasing/districtheatplant.
- 2. Q: We are a company located in Canada and have been involved in the biomass energy sector since 1976. We are interested in your project and would like to explore the possibility of being included on your list of suppliers. Please advise if it's possible to be included?
 - A: As stated under Section 1.1.1 of the RFP: This project presents some unique challenges for the State and the successful bidder. For these reasons, The Department of Buildings and General Service will only accept bids from prequalified biomass boilers firms who have been deemed qualified by the state.

As applicable, any additional bid requirements associated with this project will be posted on-line at: http://bgs.vermont.gov/purchasing/districtheatplant.

- 3. Q: I'm also questioning whether full bonding is warranted since the installation has been removed and Vendors are simply supplying the system and the State is holding 10% retainage on the invoices for the system until satisfied.
 - A: Bonding is required as stated under Section 5.1 of the RFP.
- 4. Q: I'm trying to track down the "CAD" versions of the plant drawings. I have only been able to find the pdf version on the web site so far. Can you please give me the link or forward me the CAD version drawings? We won't be able to do much before we get them. Please see what you can do to get this information to us as soon as possible.
 - A: AutoCAD versions of the drawings that are currently posted on the BGS website have been electronically sent to each of the participating Qualified Suppliers through their representatives. All AutoCAD drawings were identical to the PDF drawings posted on the BGS website except for the updated flow sheet, FD-EPR10-01-0004-01-6. The tabs at the bottom of drawing CD-EPR11-01-0001 and 0002-01-1 allows tabbing between those two drawings. In the PDF format on the website, those drawings were separate. It is the Qualified Supplier's responsibility to provide these drawings to their subcontractors if required.
- 5. Q: After reviewing the information packet you provided at last week's pre-bid meeting regarding the budget estimating services received from TSI, KMW and Chiptec on this project it appears only Chiptec provided an actual budget cost proposal. Is that correct? According to the RFP there are only five pre-approved manufacturers and reps listed that can respond as well. Is that correct? There were a few companies present at the pre-bid that were not on the pre-

approved list, representing at least one of the manufacturers that had supposedly provided budget costs. Will any representatives not listed be permitted to propose any of the approved manufacturers?

- A: a. Chiptec and Hurst provided initial budgetary information at the beginning of this project.
 - b. No. There are five pre-approved manufacturers, not five preapproved vendor representatives.
 - c. There are five pre-approved manufacturers, not five pre-approved vendor representatives.
- 6. Q: Just checked the project website and only the pdf drawings are still posted. Any chance of getting the CAD files? Or should I submit a formal request to Robert?
 - A: The CADD files were sent to the approved Qualified Suppliers and/or their representatives.
- 7. Q: While on site at the prebid last week I asked Eldon about the 72hr fuel storage requirement and if he thoughtn it reasonable to factor in the 3% less fuel volume required due to the higer efficency of an economizer? Although 3% doesn't sound like alot it could make a difference in the fuel storage space needed knowing the emphasis to keep the plant footprint as small as possible.
 - A: It isn't clear if this is a question or statement, but it is correct that 3% less fuel usage is significant. It also needs to be noted that section 1.3.5 of the Specification states that there is a desire for 72 hours storage, not a firm requirement. Cost and space requirements are factors in the final selection.
- 8. Q: For storage design purposes, what is the density (in cu.ft.) of the whole tree chips?
 - A: The density of chips as received is expected to be 20 22 lbs/cu ft. Qualified Suppliers should use this estimated value or their standard design density for biomass fuel meeting section 1.3.3 of the Specifications.
- 9. Q: What is the expected HHV of the fuel to base the design on?
 - A: 8700 Btu/dry, ash-free pound.
- 10. Q: Can you provide a chemical analysis of the fuel?
 - A: We do not have this. See section 1.3.3 of the Specification for the fuel information.
- 11. Q: Are all performance guarantees (emissions, boiler output) to be based on the column titled "Maximum" or the column titled "Typical" in the table on P.11 paragraph 1.3.3 of the BGS11-01-01 specification document?
 - A: With regard to emissions: Emission rates are independent of the size of fuel used in the system; the determining factor is the ability to control burn in the boiler system as designed for the maximum or typical size of chips specified. Emission limits as defined in a final permit by the state are to be achievable within the range of fuel size as defined in the specification. Boiler output performance warrantees must also be based upon the range of fuels specified in section 1.3.3 of the Specification.
- 12. Q: Is the facility subject to the VT NPDES Stormwater Multi-Sector General Permit (MSGP) for industrial stormwater discharge. If so, does the facility have coverage under MSGP and a

- Stormwater Pollution Prevention Plan (SWPPP) that the new system must comply with or modify the plan?
- A: Storm water permitting is being addressed by the Project Environmental engineer. Storm water environmental permitting tasks are not relevant to the RFP.
- 13. Q: Are future steam turbine inlet steam specification available or will they be matched to boiler output?
 - A: They will be matched to boiler output at that time and are not available.
- 14. Q: Are there any other setbacks or local zoning requirements for the site in addition to the flood plane and distance to the rail system?
 - A: Permitting issues are being addressed by the Project Environmental engineer. Setbacks and zoning requirements are not relevant to the RFP.
- 15. Q: Are Site underground utility drawings for water, sewer storm, sanitary, & process, and / or electrical service available upon request?
 - A: Each Qualified Supplier is only responsible for the design of its system. Non-vendor related information is not available and is not relevant to the RFP.
- 16. Q: Page 2 section 1.3 Bidding Integrity: The Hurst team requests copies of project costs estimates and all information or documentation provided by TSI (Hurst), Peregrine Technologies (KMW), and Chiptec to D&S Engineering.
 - A: Section 1.3 of the RFP states: BIDDING INTEGRITY: As required by the Department of Buildings and General Services Administrative Policy #0034 Bidding Integrity Bidders are hereby informed that TSI (Hurst Boiler distributor), Chiptec, and KMW were contacted by D&S Engineering to provide budget cost numbers to be used for developing project cost estimates. Bidders are entitled to this information as TSI, Peregrine Technologies Inc. (KMW), and Chiptec are potential bidders on this project for which they have provided estimating services. In addition, bidders may also request from the Office of Purchasing & Contracting copies of information provided by these firms to D&S Engineering by contacting Robert Pierce at Robert.pierce@state.vt.us.

The state also intends to make this information available on-line at: http://bgs.vermont.gov/purchasing/districtheatplant.

- 17. Q: Page 2 section 4 Project Schedule item 4.1.3 Environmental Permit Process from April July 2012 (3-4 months) is short. Have any project permits or applications been submitted to date? Are State and Local permitting agencies aware of the status of the project and aggressive permitting schedule? Will any permits need to be expedited?
 - A: This is being addressed by the Project Environmental engineer. The schedule provided in section 4.1 of the RFP is the best estimate available at this time and is subject to revision as required. Concise and direct information from the selected Qualified Supplier, especially on technical pollution control device specifications, will expedite this process. State permitting agencies are working together to help streamline the process.
- 18. Q: Page 3 section 5.6 Guarantees and Warranties: Will performance and emissions testing be completed prior to "Substantial Completion" and transfer to the Contractor? Is the one year of

assignment to the contractor for warranty to be included in the total of 5 years for the Boiler System. The 5 year warranty period will be 1 year under the contractor and 4 years with the State of Vermont.

A: Ideally, performance and emissions testing would be complete prior to Substantial Completion. However, the project timing may require Beneficial Occupancy and operation of the plant at low loads until colder weather demands the larger loads required for full performance and emissions testing.

The statement of 1 year warrantee under the contractor and 4 additional years with the State of Vermont is correct.

- 19. Q: Fuel Storage of 72 hours is based on (2) two biomass boilers at maximum continuous output.
 - A: This is correct.
- 20. Q: Simultaneous generation of steam will be considered acceptable if district heating steam load requirements are met (as per Process Flow Diagram FD-EPR10-01-0004-01-6 issued by D&S Engineering on Tuesday 1/31/2012) at 55 psig and system has been designed for 400 psig operating pressures with supporting documentation.
 - A: This is correct.
- 21. Q: The future third biomass boiler and steam turbine generator are excluded from any and all performance guarantees.
 - A: This is correct.
- 22. Q: The State of Vermont shall be responsible for and gaurantee consistent wood chip supply that meets the minimum whole tree chip requirements as specified in Specification BGS11-01-01 Boiler Supply page 11 section 1.3.3.
 - A: The State of Vermont is responsible to provide a wood chip supply that conforms to section 1.3.3 of the Specification.
- 23. Q: The State of Vermont shall be responsible for and gaurantee consistent wood chip supply that meets the minimum whole tree chip requirements as specified in Specification BGS11-01-01 Boiler Supply page 11 section 1.3.3.
 - A: Duplication of Item 22
- 24. Q: Acceptance testing referenced in BGS11-01-01 page 26 section 3.1 is separate from performance guarantee testing and emissions testing. Can the tests be combined?
 - A: Yes. Please note that functional testing and availability testing will be performed by the Owner's Staff with the full assistance of the Vendor, per sections 3.1.1.1 and 3.1.1.2 of the Specification. Emissions testing require the Supplier to provide that a recognized testing company conduct the emissions performance test per section 3.1.2 of the Specification.
- 25. Q: Page 4 section 5.14 Invoicing: Invoices by vendor? Will boiler representative invoices be accepted or do all invoices need to come from manufacturer?

- A: Although this will be determined at a later date, invoices will come direct from whoever the state issues a Purchase Order to.
- 26. Q: Page 8 section 7.3 References: Will combined references for vendor, vendor representative, and other vendor team members be accepted.
 - A: The purpose of Section 7.3 of the RFP is to obtain references of installed systems most similar to the boiler systems proposed for the Montpelier Central Heat Plant in scale, type, and application having at least 3 years of successful operation. References supplied by the Qualified Suppliers and their sub-suppliers on similar projects are acceptable.
- 27. Q: Page 8 section 7.7 Certificate of Compliance Form: Can not find individual form or attachment
 - A: The Certificate of Compliance Form as referenced in the RFP is attached and hereby incorporated. As stated under Section 7.7 of the RFP: This form must be completed and submitted as part of the response for the proposal to be considered valid.
- 28. Q: Page 4 section 1.1.3.1: Stack entry modifications are by others and not included in the biomass boiler supplier scope
 - A: This is correct. The Supplier is responsible to the first flange past the last emissions device in their quoted system.
- 29. Q: Page 5 section 1.1.3.2: Define "set up". Does this mean designed for 400 psig but able to operate at 55 psig?
 - A: This is correct.
- 30. Q: Page 5 section 1.1.3.3: states that two basic boiler equipment layouts have been shown or provided. There is only one plan on D&S Site Plan Option A CD-EPR10-01-0006-01-7. Is there one or two options?
 - A: There is one plan.
- 31. Q: Page 5 section 1.1.3.3: Will one electrostatic precipitator be accepted if sized appropriately for two biomass boilers and capabilities for modifications to accept a third boiler at a future date?
 - A: Section 1.3.12 of the Specifications state that each boiler is to have a dry ESP. A single ESP does not meet this criterion. The Qualified Supplier may quote a single ESP as described above as an option, only if it can accommodate one boiler being down without negatively affecting collection efficiency or cost of operation. If a single ESP is quoted as an option, a detailed explanation of the effect on the ID fan(s), control of flue gas, need for dampers, the effect of single boiler operation, etc. should be also be included.
- 32. Q: Page 6 section 1.1.3.8 Insulation: Pipe insulation responsibility boundaries and demarcation points can be identified as part of the RFP response. For example up to boiler main steam stop or district heating system header tie in point.
 - A: This is correct.

- 33. Q: Page 6 section 1.1.3.10 Fire protection systems will be limited to fuel unloading, fuel processing, fuel storage, boiler fuel feed, boiler front and auxiliary burner systems. All other fire protection systems are by others.
 - A: This is correct.
- 34. Q: Page 8 section 1.1.4.14: Electrical service supply to support the new biomass boiler system and remaining heating plant equipment shall be designed by others to meet all code and electrical load ratings. Biomass boiler vendor is to provide electrical load requirements only.
 - A: This is correct.
- 35. Q: Page 11 section 1.3.3: reference fuel us green hardwood whole tree chips but boilers will also need to be able to efficiently combust green softwood chips. What percentage or mix of softwood chips is expected as this may affect CO ppm emission limits? Will softwood chips be used in any performance, emissions, or acceptance testing?
 - A: Emissions and performance testing will be executed in accordance with requirements set forth in the final air pollution permit. It is the intent to operate with hardwood chips only. Softwood chips are considered a potential future option.
- 36. Q: Page 22 section 2.7.4 Ash removal: This section states manual raking of ash will be considered but section 1.3.11 states that ash shall be conveyed to one common system via air tight conveyors. Is fully automatic / hands off conveyance a requirement or option?
 - A: Automatic ash removal is to be included as the base case per Section 2.7.4 of the Specification. Manual raking is an option that will be considered pending Supplier information on estimated frequency, access requirements, safety considerations, housekeeping considerations, etc. Minimal manpower to operate the system will be considered in the bid evaluation.
- 37. Q: Page 26 section 2.15 Deaerator and FW Pumps: The DA is to be sized for 20 minutes retention time at full firing rate for the two biomass boilers operating at 400 psig, or the Vendor standard, whichever is greater. Not the two biomass boilers and one No. 2 Fuel Oil fired boiler all operating at the same time even though it is a common DA.
 - A: This is correct. The time reference is for two biomass boilers operating.

RFP: DESIGN AND SUPPLY OF TWO BIOMASS BOILERS & ALL ASSOCIATED EQUIPMENT AT DISTRICT HEAT PLANT 122 STATE STREET, MONTPELIER, VERMONT

DATE: February 16, 2012

CERTIFICATE OF COMPLIANCE

This form must be completed in its entirety and submitted as part of the response for the proposal to be considered valid.

TAXES: Pursuant to 32 V.S.A. § 3113, bidder hereby certifies, under the pains and penalties of perjury, that the company/individual is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due to the State of Vermont as of the date this statement is made. A person is in good standing if no taxes are due, if the liability for any tax that may be due is on appeal, or if the person is in compliance with a payment plan approved by the Commissioner of Taxes.

INSURANCE: Bidder certifies that the company/individual is in compliance with, or is prepared to comply with, the insurance requirements as detailed in Section 7 of Attachment C: Standard State Contract Provisions. Certificates of insurance must be provided prior to issuance of a contract and/or purchase order. If the certificate(s) of insurance is/are not received by the Office of Purchasing & Contracting within five (5) days of notification of award, the State of Vermont reserves the right to select another vendor. Please reference the RFP and/or RFQ # when submitting the certificate of insurance.

CERTIFICATION FOR APPAREL, FOOTWEAR, AND TEXTILES (SWEATSHOP PROHIBITION): Bidder certifies that the company/individual is in compliance with the requirements as detailed in Section 16 of Attachment D: Commodity Purchases Terms and Conditions. The contractor must provide certification from each supplier that meets the requirements of 29 V.S.A. §922(a) as well as a list of the names and addresses of each supplier, as required by 29 V.S.A. §922(b). Contractor certifies that if, at any time during the contract period, there are changes to the information in the certification or to the list of supplier the contractor will promptly inform the Commissioner of Buildings and General Services of such changes. The state reserves the right to ask for additional information and / or certifications any time during the contract period. Failure of the vendor to comply with any provision of this certification will be considered a default of the vendor's contract obligations.

CONTRACT TERMS: The undersigned hereby acknowledges and agrees to Attachment C: Standard State Contract Provisions and Attachment D: Commodity Purchases Terms and Conditions.

TERMS OF SALE: The undersigned agrees to furnish the products or services listed at the prices quoted. The Terms of Sales are Net 30 days from receipt of service or invoice, whichever is later. Percentage discounts may be offered for prompt payments of invoices, however such discounts must be in effect for a period of 30 days or more in order to be considered in making awards.

FORM OF PAYMENT: Would you accept the Visa Purchasing	Card as a form of payment? Yes No
Insurance Certificate(s): Attached	Will provide upon notification of award
Delivery Offered: days after notice of award	Terms of Sale:
Quotation Valid for: days	(If Discount) Date:
Name of Company:	Contact Name:
Address:	Fax Number:
	Telephone:
	E-Mail:
By: Signature (Bid Not Valid Unless Signed)	Name:(Type or Print)